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JULY 1967

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THE PACKERS AND STOCKYARDS ACT
AS IT APPLIES TO

AUCTION MARKETS

WHAT IT IS
PROVISIONS
ENFORCEMENT

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WHAT IT IS



The Packers and Stockyards Act is a Federal law enacted in 1921, amended last in 1958, and administered by the U.S. Department of Agriculture through its Packers and Stockyards Administration.



It prescribes rules of fair competition and fair trade practice for all persons or firms engaged in livestock marketing and meat packing in interstate or foreign commerce.



It requires an auction market operator to register with USDA within 30 days after his market is posted, giving the name of the firm, owners, address of business, marketing activities in which engaged, and any financial connection with members of the trade.



It requires an auction market operator—when registering—to file a bond based on his volume of business.



It requires an auction market operator to file with USDA a schedule of rates and charges for all services such as selling, yardage, and feeding.

PROVISIONS... As They Apply to Auction Markets

SELLING SERVICES AND BUSINESS PRACTICES

Market operators should:

See to it that bidding by buyers is open and competitive.

Solicit buyers to attend sales.

Represent the best interests of shippers to the market at all times.

Sell all consigned livestock to the best advantage of the shipper but not misrepresent its quality.

Provide equal treatment to all shippers regardless of size or regularity of shipments.

Provide adequate facilities, such as pens and unloading chutes, in clean condition and at reasonable rates.

Use reasonable care in handling livestock.

Not finance dealers.

Not guarantee prices to be received for livestock shipped.

Not permit auctioneers, weighers, starters, or clerks to buy out of consignment for any purposes, nor permit other employees to buy out of consignment for speculative purposes.

WEIGHING

Market operators should install, maintain, and operate scales in such a way as to assure correct weights.

Scales should be properly tested to capacity used, not less than twice each year, by a competent agency.

Scales should be balanced not less than once every 15 minutes, or after 15 drafts, whichever occurs first.

All livestock should be weighed to the nearest five pounds, and no advantage should be given to either buyer or seller.

Serially numbered scale tickets with printed weight values must be issued, and a copy kept on file.



ACCOUNTING

Market operators should keep complete and accurate records, and should maintain a sound financial status at all times.

Shippers' money should not be used to finance market operations or for personal business.

Each buyer and seller should receive a true written account of his transaction.

No false or fictitious name may be used on scale tickets, sales sheets, or purchase sheets.

No special system of bookkeeping is required, but records must reveal the true nature of all transactions.

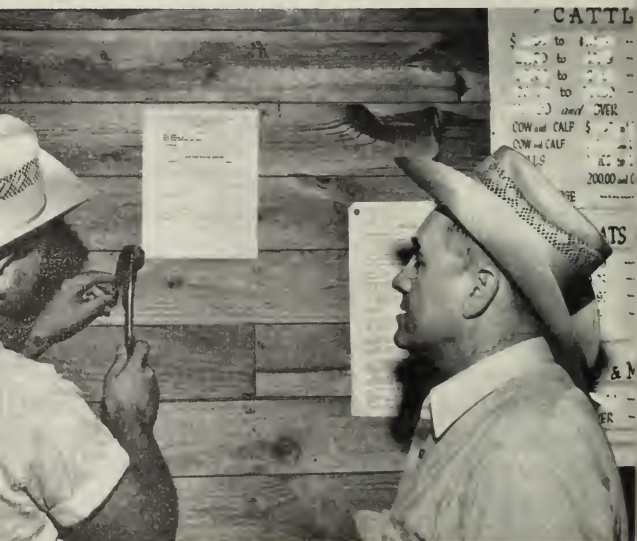
All selling agencies must establish and maintain a separate bank account designated as a "custodial account for shippers' proceeds," and all gross proceeds received from the sale of livestock handled on a commission or agency basis must be deposited in this account.

ENFORCEMENT

■ **POSTING**—A market is posted by USDA when it has been determined that the market is subject to the Packers and Stockyards Act. Posting is accomplished by notifying the owner and by the posting of notices in three conspicuous places at the market.

■ **SUPERVISION**—Representatives of the Packers and Stockyards Administration visit posted markets to make sure that regulations under the Act are being observed.

■ **VIOLATIONS**—Violators may receive a warning—they may be ordered to cease and desist—and in serious cases their registration under the P&S Act may be suspended, which would bar them from conducting operations in commerce for specified periods of time. Criminal violations, such as false weighing or accounting, may be referred to the Department of Justice for prosecution.



■ **COMPLAINTS**—Anyone who feels that he has been treated unfairly by anyone subject to the Act may make a complaint to the P&S Administration. Such complaints are investigated without cost to the complainant.

■ **REPARATIONS**—Anyone damaged by a dealer, market operator, or commission agent in a livestock transaction subject to the Act may file a written petition or complaint seeking a reparation award for the damages sustained. The petition should be filed with the P&S area office within 90 days of the transaction.

PUBLICATIONS

Specific questions concerning the Act and its enforcement may be addressed to the Packers and Stockyards Administration area offices or the Washington headquarters. Available from the same sources are the following publications:

The Packers and Stockyards Act—What It Is—How It Operates, PA-399

The Packers and Stockyards Act as it applies to Livestock Dealers, PA-808

Questions and Answers on the Packers and Stockyards Act for Livestock Producers, PA-810

Recordkeeping for Livestock Dealers Under the Packers and Stockyards Act, PA-590

Your Livestock Claims, PA-591

Packers and Stockyards Administration Area Offices and States Covered

Ariz., Calif., Nev.
405 Wilson Bldg.
5905 Pacific Blvd.
Huntington Park, Calif. 90256

Ill., Wis.
Live Stock Exchange Bldg.
Union Stock Yards
Chicago, Ill. 60609

Idaho, Oreg., Wash.
208 Live Stock Exchange Bldg.
North Portland, Oreg. 97043

Suboffice for Ill., Wis.
Livestock Exchange Bldg.
P.O. Box 186
National Stock Yards, Ill. 62071

Colo., Mont., N. Mex., Utah, Wyo.
406 Live Stock Exchange Bldg.
Denver, Colo. 80216

Ind., Ky., Mich., Ohio
70 Live Stock Exchange Bldg.
Indianapolis, Ind. 46221

Minn., N. Dak., S. Dak.
208 Post Office Bldg.
P.O. Box 297
South St. Paul, Minn. 55076

Ark., La., Miss., Tenn.
380 Federal Bldg.
167 North Main Street
Memphis, Tenn. 38103

Iowa, Nebr.
435 Live Stock Exchange Bldg.
Omaha, Nebr. 68107

Ala., Fla., Ga., N.C., S.C.
Room 309
1795 Peachtree Street, N.E.
Atlanta, Ga. 30309

Suboffice for Iowa, Nebr.
224 Live Stock Exchange Bldg.
800 South Chambers Street
Sioux City, Iowa 51107

Conn., Maine, Mass., N.H., N.J.,
N.Y., Pa., R.I., Vt.
366 Industrial Office Bldg.
1060 Broad Street
Newark, N.J. 07102

Kans., Mo.
828 Live Stock Exchange Bldg.
Kansas City, Mo. 64102

Del., District of Columbia, Md.,
Va., W. Va.

Okla., Tex.
Room 7A15 Federal Bldg.
Forth Worth, Tex. 76102

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